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# FINANCING OF THE UNITED NATIONS TRANSITIONAL AUTHORITY IN CAMBODIA

## Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Transitional Authority in Cambodia (UNTAC) (A/47/733/Add.1).

2. Paragraphs 1 to 77 of the Secretary-General's report provide the standard information regarding, inter alia, the mandate and activities of UNTAC, the conduct and results of the elections in Cambodia, financial assistance to the joint interim administration of Cambodia, the status of assessed and voluntary contributions, the status of reimbursements to troop-contributing States, the financial performance report on the United Nations Advance Mission in Cambodia (UNAMIC) and UNTAC for the period from 1 November 1991 to 30 April 1993, revised requirements for the period from 1 May to 31 July 1993, cost estimates for the period from 1 to 31 August 1993 and for the initial stage of the liquidation phase of the mission and the disposition of the property of UNTAC, and the observations of the Secretary-General.

3. In section XIII of his report, the Secretary-General, in connection with the financing of UNTAC, requests the General Assembly (para. 78):

(a) To appropriate the amount of $236 million gross ($233,806,600 net) authorized with the prior concurrence of the Advisory Committee under paragraph 7 of General Assembly resolution 47/209 of 22 December 1992 for the continued operation of UNTAC for the period from 1 May to 31 July 1993;

(b) To appropriate and apportion the amount of $65,181,600 gross ($59,023,100 net) to meet the additional requirements of UNTAC for the period from 1 May to 31 July 1993;

(c) To credit the unencumbered balance of $3,367,600 gross ($58,500 net) for the period ending on 30 April 1993 to Member States against their

assessments in respect of the additional requirements of UNTAC for the period from 1 May to 31 July 1993;

(d) To appropriate and apportion the amount of $68,527,700 gross ($66,896,800 net) for the continued operation of UNTAC for the period from 1 to 31 August 1993;

(e) To approve, in principle, the Secretary-General's proceeding with the disposition of UNTAC property upon completion of the mandate, as set out in annex VIII;

(f) To appropriate and/or grant commitment authorization, as appropriate, of the amount of $150,515,700 gross ($147,094,600 net) and the apportionment thereof to meet the costs related to the initial phase of the liquidation of the mission.

4. The Advisory Committee points out, at the outset, that an advance copy of the Secretary-General's report in English was transmitted to it after the scheduled close of its special summer session of 1993 and that the final document and translations were not available for its consideration. Furthermore, there are a number of areas in both the performance report and the cost estimates which are incomplete and where additional information is required (see paras. 7-13 below). As a result, the Committee was not in a position to review the document in a detailed and thorough manner.

5. In view of the late submission of the report of the Secretary-General and the urgent need to assess the necessary funds for the additional requirements of UNTAC for the period from 1 May to 31 July 1993 and its continued operation from 1 to 31 August 1993, the Advisory Committee is submitting only an abbreviated report. The Committee will return to the traditional format of its report for analysis of the Secretary-General's proposals and submission of its recommendations to the General Assembly upon the issuance of a complete and updated report on the financial performance of UNTAC for the period from 1 November 1991 to 31 August 1993 and revised cost estimates for the liquidation of the mission.

## Expenditure from 1 November 1991 to 30 April 1993

6. The savings (overruns) incurred in respect of the main objects of expenditure of UNTAC from 1 November 1991 to 30 April 1993 are summarized in annex I to the report, with supplementary information thereon provided in annex II. The Committee notes that, according to the performance report for that period, the projected expenditure for a number of items varies considerably from the cost estimates for the period. For example, there are substantial savings under military personnel costs, air traffic control services and equipment and naval operations and large overexpenditures under premises/ accommodation, helicopter operations and freight. The Committee therefore reiterates that the cost estimates for peace-keeping operations should reflect more accurately the actual requirements while allowing some flexibility in carrying out a mission, taking into account the financial performance during previous mandate periods.

7. The Committee recalls that substantial savings and overexpenditures in an operation should be well explained in the performance report. For example, savings in travel ($3 million) need to be substantiated, indicating the reduction in actual travel to and from the mission area and the revised rates. With regard to the additional expenditures for civilian police ($13.3 million), the Committee is of the view that the non-provision of accommodation by the United Nations and the reduction of mission subsistence allowance rates, effective 15 February 1993, should be well explained. Furthermore, savings under local staff ($5.7 million) and overexpenditures under international staff ($7.2 million) need to be substantiated and justified, indicating planned deployment and actual dates of arrival of staff, vacancy rates and revised person-days for mission subsistence allowance rates, additional travel and revised fares compared to the original estimates.

8. The Committee points out that the substantial savings under infrastructure repairs ($13.1 million, or 72 per cent) need to be specified in connection with the actual disbursements from the pledges received from donors at the Ministerial Conference on the Rehabilitation and Reconstruction of Cambodia.

9. With regard to the Committee's recommendation in its previous report (A/47/763) concerning the question whether the commercially supplemented Military Communications System (Part A) could be further enhanced to achieve the needs of the mission in lieu of installing a massive commercial system (Part B), the Committee requests that the cost implications for both options be indicated in the performance report. The Committee further notes that additional requirements under miscellaneous supplies ($7.8 million) and air and surface freight ($7.9 million) have not been justified in the report.

10. In view of the aforesaid, the Committee requests that the Secretary-General submit to the General Assembly a detailed and up-to-date performance report on UNTAC for the period from 1 November 1991 to 31 August 1993, including the additional requirements for the period from 1 May to 31 July 1993, taking into account its observations in paragraphs 6 to 9 above.

## Revised estimates for the period from 1 May to 31 July 1993 and estimates for the period from 1 to 31 August 1993

11. The Committee is of the opinion that the revised estimates for the period from 1 May to 31 July 1993 and the estimates for the period from 1 to 31 August 1993 are not complete and that additional information needs to be provided to the Committee for consideration. Upon inquiry, the Committee was informed that the estimates for both military and civilian personnel are based on their full deployment as at 1 May 1993. The Committee is of the view that there is a need to indicate the planned deployment and actual date of arrival of all additional military and civilian personnel, delays in deployment (person-days), vacancy rates and related savings. The Committee further notes that the authorized staffing table of UNTAC for the periods from 1 May to 31 July 1993 and from 1 to 31 August 1993 was not available for its consideration.

12. The Committee requests a list of the contingent-owned equipment with the depreciated value of the items totalling $338 million. The Committee is of the view that the estimates for spare parts, repairs and maintenance and for petrol,

oil and lubricants need to be substantiated. With regard to the additional requirements for air operations, the Committee believes that, in view of the recent changes and developments in the mission area, there is a need to provide additional information on the air operations of UNTAC.

13. The Committee further points out that the cost estimates for contractual services, security services, medical treatment and miscellaneous services need to be substantiated. Furthermore, additional information is required to justify the estimated costs for miscellaneous supplies, election-related supplies and services, public information programmes, training and mine-clearing programmes.

14. Pending detailed examination of an updated report, the Committee recommends the General Assembly to appropriate and assess the amount of $85 million net to meet the additional requirements of UNTAC for the period from 1 May to 31 July 1993 and the continued operation of the mission from 1 to 31 August 1993. In this connection, the Committee recommends that the Secretary-General pursue his efforts to collect the outstanding assessments of $290.5 million due from Member States for UNAMIC and UNTAC as at 30 June 1993 (sect. V).

15. With regard to the total appropriation for UNTAC for the period from 1 November 1991 to 31 August 1993, including the amount authorized with the prior concurrence of the Advisory Committee under General Assembly resolution 47/209, paragraph 7 (see para. 3 above), the Committee will make its recommendation to the Assembly on the basis of the detailed performance report for that period (see para. 10 above), including revised cost estimates for the periods from 1 May to 31 July 1993 and from 1 to 31 August 1993.

16. The Committee understands that 850 minibuses were inadvertently purchased for UNTAC but not delivered to that mission. The Committee expects that full details of the transaction will be provided, and intends to review this issue in the context of its examination of the financial performance of UNTAC (see also A/47/969, annex VI, line 5 and annex VII, para. 33).

17. Regarding the costs related to the liquidation of UNTAC, which is scheduled to start on 1 September 1993, the Committee requests the Secretary-General to submit revised cost estimates on the basis of the detailed performance report on the mission for the period from 1 November 1991 to 31 August 1993, taking into account its observations above and the recommendations in its report on the administrative and budgetary aspects of the financing of peace-keeping operations, especially with regard to the Secretary-General's proposals on the general guidelines, principles and procedures governing the disposition of assets for the liquidation of peace-keeping operations.

18. With respect to section IV of the Secretary-General's report, on financial assistance to the joint interim administration of Cambodia, the Advisory Committee dealt with this matter and communicated its view to the Secretary-General (see annex).

ANNEX

Letter dated 15 July 1993 from the Chairman of the Advisory Committee on Administrative and Budgetary Questions to the Secretary-General

The Advisory Committee on Administrative and Budgetary Questions has considered the Controller's letter dated 9 July 1993 requesting authority to enter into commitments in the amount of $10 million for the purpose of providing financial assistance to the joint interim administration in Cambodia. The request is made under the terms of paragraph 1 of General Assembly resolution 46/187 of 20 December 1991 on unforeseen and extraordinary expenses.

The Advisory Committee sought additional information on the nature of the assistance you wish to provide and while it is of the view that such assistance could be within the overall scope of UNTAC, the Committee can find no specific authority to support the financing of this activity from assessed contributions. Under the circumstances, it is the view of the Committee that it should not act on this question.

The Committee notes that you are making a request for $17 million for this purpose in your report on the financing of UNTAC to be submitted to the General Assembly at its resumed forty-seventh session.

Pending the consideration of that request, the Committee notes that you can utilize voluntary contributions amounting to $3 million which are available from the Trust Fund for the Cambodian Peace Process. In addition, you may utilize, on an exceptional and temporary basis, an amount from the existing reserves equivalent to the pledges you receive in response to your appeal of 9 July 1993. Repayment of any reserves so utilized shall be the first charge on receipts from the response to your appeal until the amount provided from the reserves is fully repaid. The Committee regrets the procedure which led to your request and expects that you will not regard its decision as a precedent.

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